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How much do sales professionals earn? Page 113

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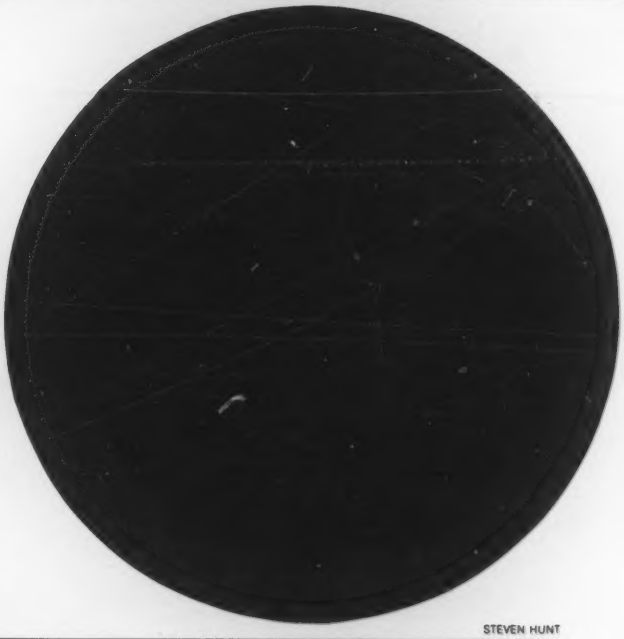

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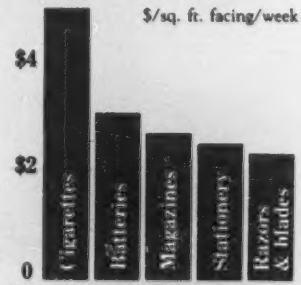

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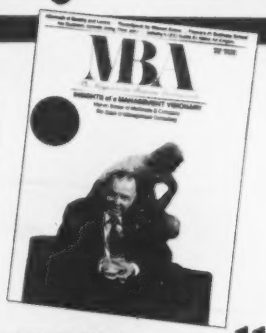

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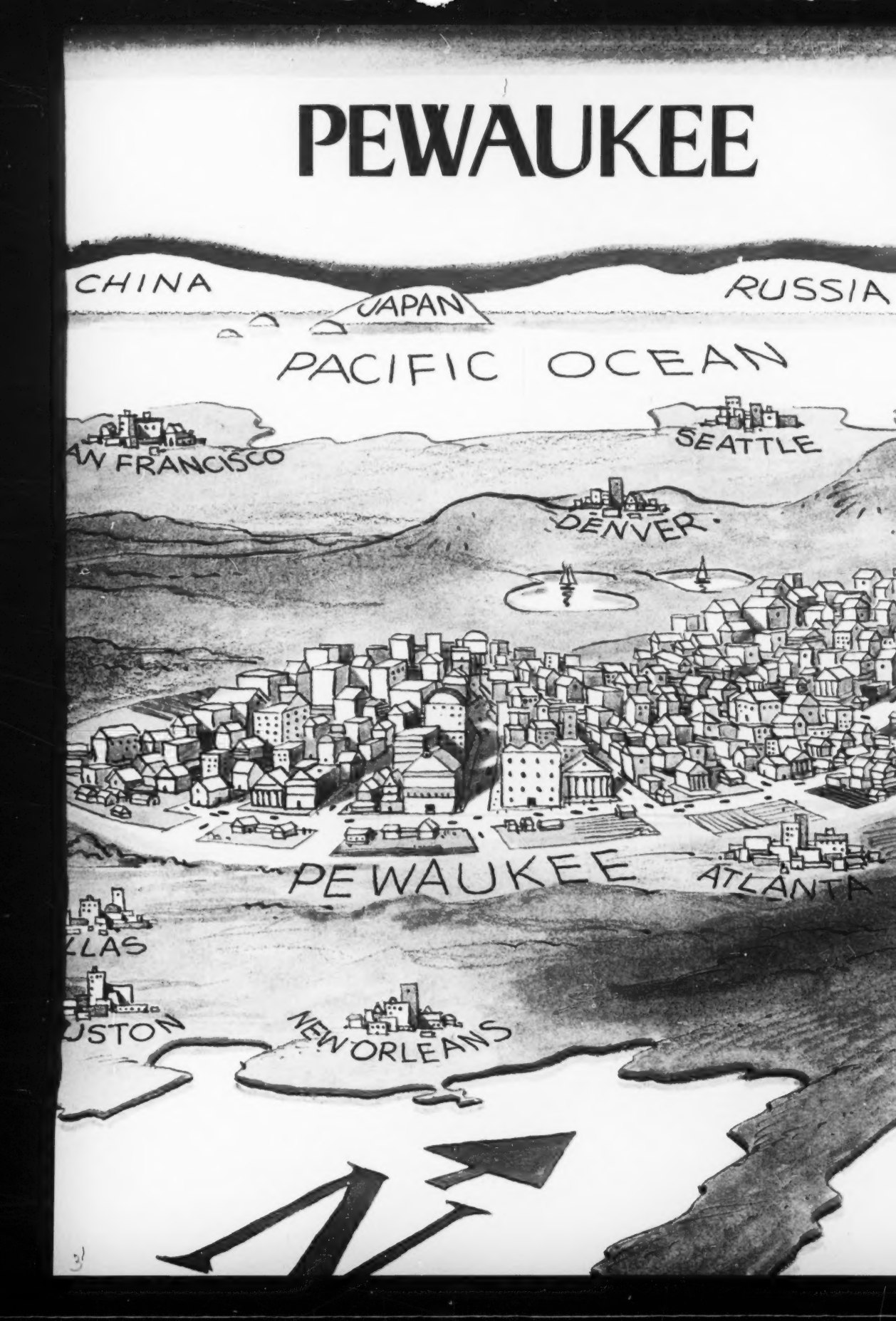
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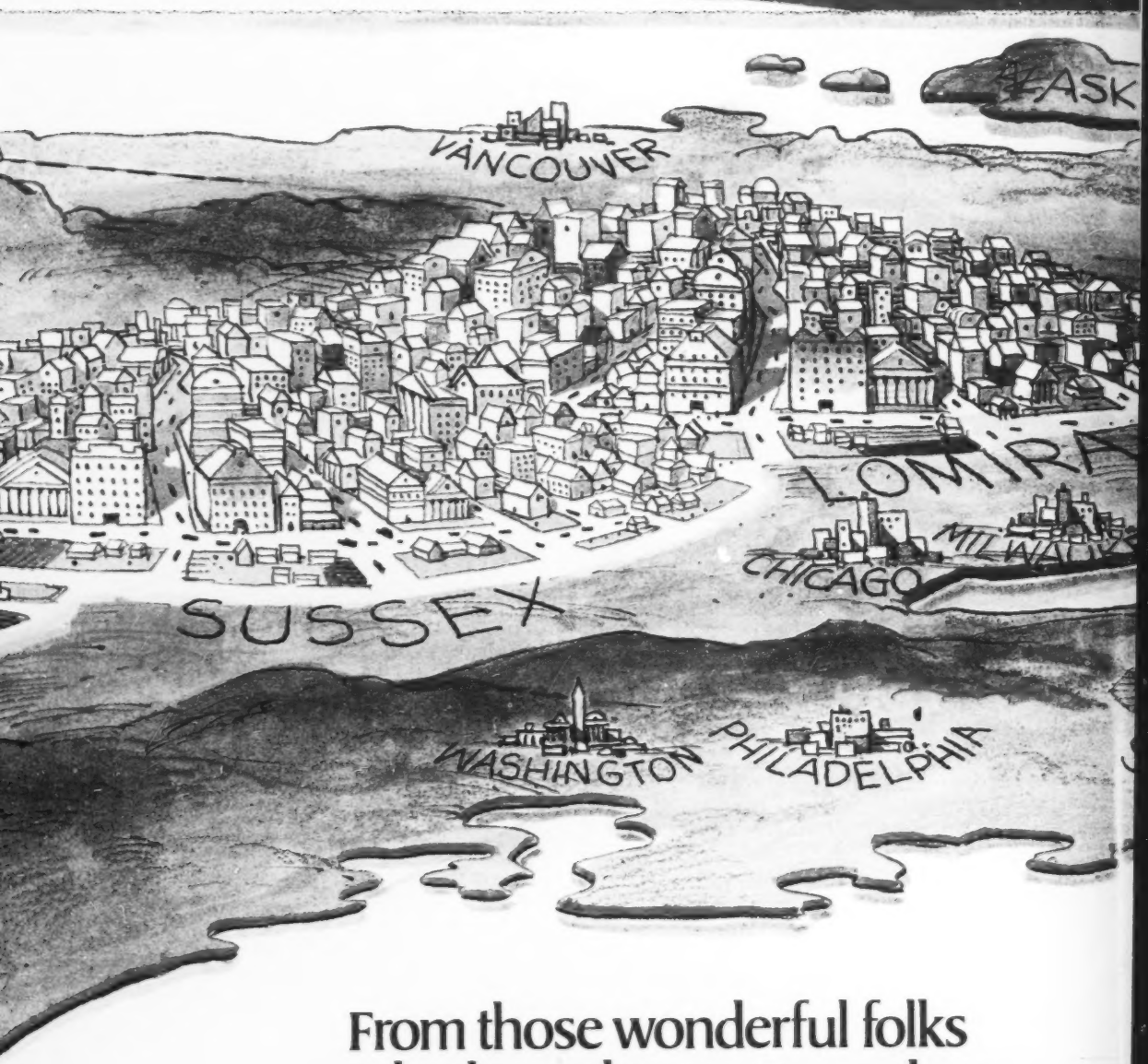

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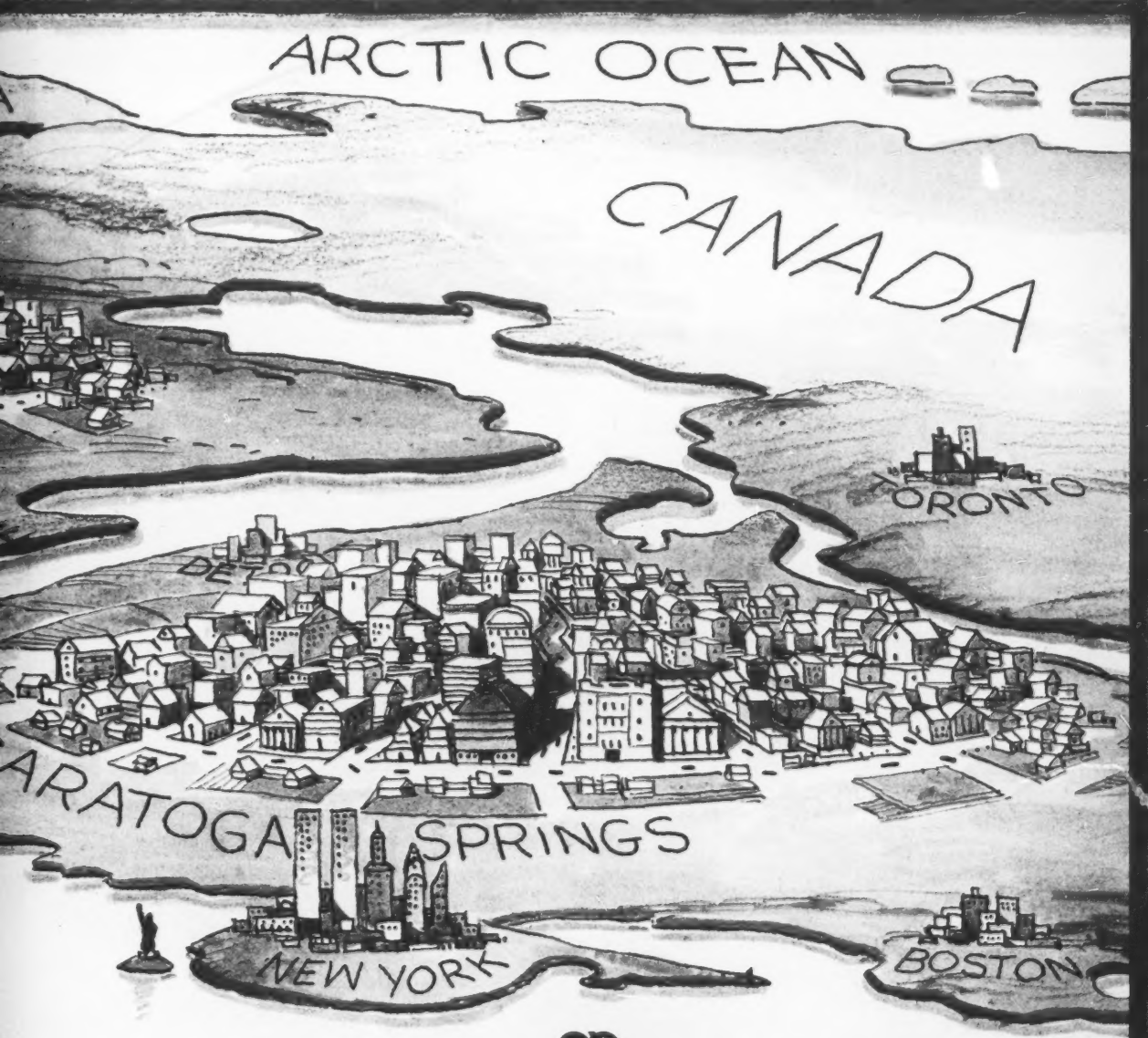

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UPDATE

Magazines rank high in supermarket DPP

The second phase of MPA's DPP study shows magazines are supermarkets' third most profitable product category

Magazines ranked third in the Magazine Publishers Association's (MPA) study of the direct product profitability (DPP) of 15 general merchandise items in supermarkets. The supermarket analysis is the second phase of the DPP study being conducted for MPA by Touche Ross & Company.

The positive supermarket results follow encouraging statistics previously released for convenience stores, which put magazines in fourth place.

The only categories that outperform magazines in the two supermarket chains studied are cigarettes and batteries. In the two convenience store chains in the study, the top three items are cigarettes, fountain products (ice cream, soft drinks, snacks served on site) and hot drinks.

The MPA began organizing the DPP study two years ago. The study's goal is to provide the retail industry with a profitability analysis that goes beyond looking at only total gross revenues or gross margins. The DPP formula factors in handling costs, other allowances (including the magazine industry's retail display allowance), units sold per week and amount of shelf spacing, among other things.

Under this analysis, magazines in convenience stores show a profitabil-

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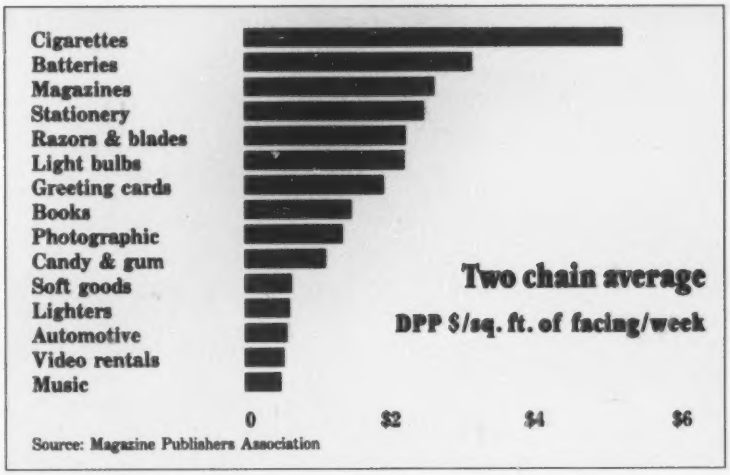


***The fight for more space in supermarkets** is aided by the Direct Product Profitability results compiled for MPA by Touche Ross & Company. Magazines are third in profitability, at $2.61 per square foot of shelf facing per week. Candy and gum and video rentals are given more than twice as much space, but don't perform as well.*

ABC Fas-Fax shows status quo second half

Circulation gainers barely edged losers in second half '86; single copies still trouble

Schaumburg, Ill.—About as many U.S. consumer magazines reporting to the Audit Bureau of Circulations (ABC) saw their second half 1986 circulation increase as saw it decline, according to FOLIO:'s analysis of the ABC Fas-Fax report for the six-month period ending December 31, 1986.

Of the 454 magazines submitting figures to ABC in time for Fas-Fax, slightly more than half (52.6 percent) posted total paid circulation gains in second half 1986 compared to the same period in 1985.

This was a marginal improvement over first half 1986, when 50.9 percent of reporting titles showed circulation growth. But the proportion of titles up

in the second half was the lowest for any second half period since 1982, according to circulation consultant E. Daniel Capell.

The number of titles showing single copy or subscription growth in the latter half of last year closely parallels that of the first half. On the single-copy front, 45.5 percent of 411 magazines reporting newsstand sales showed increases in those sales compared to second half 1985. In the June 1986 Fas-Fax, 46.2 percent of magazines reported single-copy gains. Subscription increases continued to outpace newsstand gains as 55.5 percent of 439 magazines sold by subscription boosted those sales in the second half; in the first half, 54.5 percent did so.

TV Guide has reclaimed the lead as the largest selling consumer title from *Reader's Digest*, despite a small drop (−0.6 percent) in its total circulation, to 16,800,441. *Reader's Digest*'s circulation fell 5.9 percent to 16,609,847 for the recent six-month period. Rounding out the top-five selling titles for the period are, in order, *National Geographic*, *Better Homes and Gardens* and *Family Circle*.

Discover led all magazines in total unit circulation gains, boosting its circulation by 405,404 copies to 1,328,534, a 43.9 percent increase. Much of the rise is attributable to the magazine's purchase of the subscription lists of its two prime competitors, *Science Digest* and *Science86*. Other big gainers in total unit circulation for the second half included *National Geographic* (up 215,649 copies), *Satellite Orbit* (+215,314) and *Life* (+206,066).

In terms of percentage gains, *Texas Fish & Game* was first with a total circulation jump of 92 percent. Other magazines that did well on a percentage basis were *Tours & Resorts* (+82.4 percent), *Elle* (+77.4 percent) and *Satellite Orbit* (+75.3 percent). *Satellite Orbit*, *Dr. Dobb's Journal of Software Tools* and *American Demographics* were among the top-10 magazines in percentage increases for both the first and second halves of last year.

Single-copy sales continue to be a trouble spot for the industry. The 45.5 percent of magazines citing increases was the second worst performance for any second-half period since 1982, following the second half of 1984, when only 42 percent showed gains, says Capell. Capell disputes the argument that ABC figures no longer reflect overall single-copy sales since many titles do not report to ABC. "ABC still represents 70 to 80 percent of the newsstand copies sold out there," he says.

The single-copy scene may be summed up by the gloomy performance of the 15 top selling newsstand titles. Of these, only four showed single-copy gains in the second half of 1986, and only *Glamour* was up significantly—7.4 percent, or 115,509 copies. The number two title on newsstands, *Family Circle*, suffered a 9.1 percent decline (−567,761 copies), while number three, *Woman's Day*, dropped 7.5 percent (−458,749 copies).

The biggest loss among the top-15

Consumer magazines ranked by unit increase in total paid circulation

Second half 1986	Total paid circulation		
Magazine*	Second half 1986	Unit increase**	Percent increase
1. *Discover*	1,328,534	405,404	43.9%
2. *National Geographic*	10,764,998	215,649	2.0
3. *Satellite Orbit*	501,104	215,314	75.3
4. *Life*	1,718,726	206,066	13.6
5. *U.S. News & World Report*	2,287,016	203,134	9.7
6. *Money*	1,862,106	170,643	10.1
7. *The Star*	3,706,131	166,619	4.7
8. *Sports Illustrated*	2,895,116	143,756	5.2
9. *Travel & Leisure*	1,118,132	132,633	13.5
10. *Time*	4,720,159	116,852	2.5

Source: David Foster & Associates, Inc., analysis of ABC Fas-Fax report, December 31, 1986
*Only magazines with Publisher's Statements in both time periods were considered
**Compared with the same six month period in 1985

Life, *one of the success stories of the second half, finished fourth in total paid circulation gains and first in newsstand sales increases.*

Consumer magazines ranked by largest percentage gains, overall circulation

Second half 1986

Magazine*	Total paid circulation**	Percent increase**
1. *Texas Fish & Game*	39,060	92.0%
2. *Tours & Resorts*	218,066	82.4
3. *Elle*	602,704	77.4
4. *Satellite Orbit*	501,104	75.3
5. *Metropolitan Detroit*	83,943	74.8
6. *WWF Magazine*	168,876	73.7
7. *Dr. Dobb's Journal of Software Tools*	54,197	63.6
8. *Wildfowl*	31,542	63.4
9. *American Demographics*	19,824	56.1
10. *Computer Language*	44,902	54.3

Source: FOLIO: analysis of ABC Fas-Fax report, December 31, 1986
*Only magazines with Publisher's Statements in both time periods were considered
**Compared with the same six month period in 1985

***Selling only subscriptions**, Texas Fish & Game *posted the greatest percentage increase in circulation for the second half.* Satellite Orbit, *finishing fourth, also came in third among consumer magazines ranked by unit increase in single-copy sales and in total paid circulation.*

Consumer magazines ranked by unit increase in single-copy sales

Second half 1986 — **Single-copy circulation**

Magazine*	Second half 1986	Unit increase**	Percent increase
1. *Life*	711,694	124,079	21.1%
2. *Soap Opera Digest*	564,582	120,451	27.1
3. *Satellite Orbit*	188,971	119,191	170.8
4. *Glamour*	1,679,194	115,509	7.4
5. *Sun*	415,041	99,325	31.5
6. *Vogue*	836,344	93,381	12.6
7. *Mademoiselle*	966,552	74,522	8.4
8. *Money*	351,297	58,246	19.9
9. *Music & Fitness*	449,288	49,419	12.4
10. *YM*	119,480	48,914	69.3

Source: David Foster & Associates, Inc., analysis of ABC Fas-Fax report, December 31, 1986
*Only magazines with Publisher's Statements in both time periods were considered
**Compared with the same six month period in 1985

Three women's fashion magazines—Glamour, Vogue *and* Mademoiselle—*made it into the top-10 list of magazines ranked by increases in newsstand sales. But five of the "seven sisters" experienced single-copy losses.*

Consumer magazines ranked by unit increase in subscription sales

Second half 1986 — **Subscription circulation**

Magazine*	Second half 1986	Unit increase**	Percent increase
1. *Discover*	1,156,346	369,605	47.0%
2. *National Geographic*	10,693,356	223,429	2.1
3. *U.S. News & World Report*	2,231,554	200,298	9.9
4. *Family Circle*	537,419	167,324	41.2
5. *The Star*	307,004	138,290	82.0
6. *Sports Illustrated*	2,775,643	132,619	5.0
7. *Travel & Leisure*	1,101,788	126,279	12.9
8. *Time*	4,499,136	120,734	2.8
9. *Seventeen*	1,339,155	120,036	9.8
10. *Money*	1,510,809	112,397	8.0

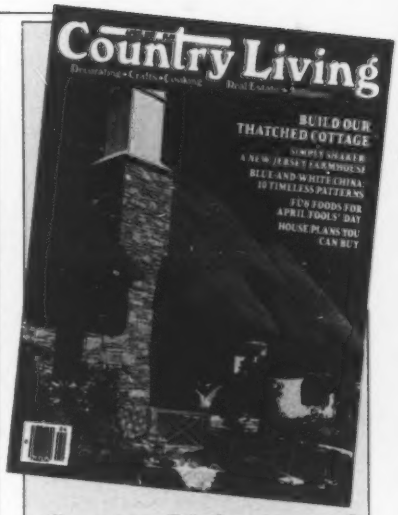
Source: David Foster & Associates, Inc., analysis of ABC Fas-Fax report, December 31, 1986
*Only magazines with Publisher's Statements in both time periods were included
**Compared with the same six month period in 1985

Absorbing the competition helped Discover *take the number one spot among magazines ranked by unit subscription sales gains. The Time Inc. monthly purchased the subscription lists of* Science Digest *and* Science86.

titles was experienced by *Penthouse*; buffeted by the Meese Commission report and cutbacks by convenience store chains, the magazine suffered a newsstand drop of 26.6 percent, or 777,144 copies.

The forces that hurt *Penthouse* had a similarly chilling effect on newsstand sales of other men's titles. *Playboy*, in particular, suffered a dramatic 42.2 percent drop in single-copy sales (−713,839 copies). *Cheri*'s newsstand sales fell 11.8 percent, *High Society*'s 10.9 percent, and *Gallery*'s 8.1 percent. On the other hand, *Gentlemen's Quarterly* and *Esquire* were up on the newsstands, 7.5 percent and 9.7 percent, respectively.

The second half of 1986 was not kind to the circulation totals of the



Country Living named hottest circulation title

Country Living was named the "hottest circulation magazine of the year" by "Capell's Circulation Report," an industry newsletter edited by consultant E. Daniel Capell. The title is the first magazine to receive the honor twice, having been named in 1984 as well. *Country Living* was honored for having boosted its rate base to a high of 1.5 million with a total circulation gain of 16 percent in the last year.

Capell also selected nine other magazines for its top-10 list. In order of rank, they were *Barron's, Money, Muscle & Fitness, Mademoiselle, Vanity Fair, New England Monthly, The Star, The Economist* and *Inside Sports.*

Magazine selection was based on an analysis of audit material for 1985 and the first half of 1986, including Audit Bureau of Circulations (ABC) publisher's statements, ABC audits and statements of ownership. The characteristics analyzed included circulation growth (subscription and newsstand), sources of circulation, newsstand sales and audit reports. In addition, ad sales performance was reviewed "to determine the degree of successful interaction between the circulation and ad revenue streams."

"seven sisters" women's service magazines. Five of the seven showed declines—the largest belonging to *Woman's Day* (−7.3 percent). The two that gained circulation barely did so: *Good Housekeeping* (+1.3 percent) and *Better Homes and Gardens* (+0.4 percent). But women's fashion magazines experienced increases: *Vogue* (+8.7 percent), *Glamour* (+3.7 percent), *Mademoiselle* (+5.0 percent) and the newer titles *Elle* (+77.4 percent) and *W* (+5.8 percent).

The three major newsweeklies all showed circulation gains. *U.S. News & World Report* did best (+9.7 percent), followed by *Time* (+2.5 percent) and *Newsweek* (+1.4 percent).

Home service titles were a mixed bag in terms of circulation changes. One of the largest gainers, *Southern Accents*, boosted total circulation by 16.8 percent. On the other end, *Texas Homes* was down 17.6 percent.

Most business titles were up in circulation during the second half of 1986. But the big three produced only small gains: *Fortune* (+3.4 percent), *Business Week* (+ .8 percent) and *Forbes* (+.09 percent).

A number of general interest titles improved circulation, led on a percentage basis by *Sun* magazine (+31.6 percent) and *American Heritage* (+20.1 percent). Sports magazines generally did well, with *Golf World* heading the pack, up 23 percent.

Metropolitan/regional/state titles now represent the largest category of consumer magazines by number of titles. According to "Capell's Circulation Report," in this category circulation gainers have outnumbered losers by a two-to-one ratio since 1981. The ratio was more balanced in the second half of 1986. *Metropolitan Detroit* grew the most, boosting circulation 74.8 percent.□

Mills upgrade coated publication paper quality

Soft market and slim growth prospects spur development of value-added coated papers; mills play 'catch-up'

The buyers' market in publication grade papers is looking even more attractive for publishers. Not only are stable or declining prices expected this year, but paper manufacturers have embarked on a renewed push to give customers more for their money. Paper buyers and consultants report that most major domestic paper mills are putting considerable effort into improving the quality of publication papers.

According to a report issued by Alling and Cory, a New York-based paper brokerage, at least 11 paper manufacturers have announced improvements in progress and/or new products. (Many of the upgraded papers aren't fully available yet.) Alling and Cory vice president Richard Brown adds that most of the effort focuses on coated No. 4 papers and improvements in surface smoothness, paper gloss, shades and brightness. Such improvements have, in some instances, spilled over into other categories, including No. 5 coated.

Beyond the obvious customer demand for improved paper stock are a number of fundamental market factors pressuring the mills. Overcapacity in a number of lightweight coated categories has led to tough competition and price cutting. At the same time, paper consumption has been, and is expected to remain, relatively stagnant. Prospects for substantial price increases, as a result, are poor. On top of that, according to several sources, S. D. Warren's Somerset Gloss and a number of fine quality imports have set a new quality benchmark that domestic manufacturers have been unable to match.

Protecting share

By upgrading paper characteristics, the mills hope to maintain their pricing structures and protect market share. Says Alan Kavasch, senior vice president at New York-based Lindenmeyr Central, it is an attempt to attract and keep customers by adding value to their paper stock.

Further, several mills are entering new and presumably more profitable markets. In fact, according to John A. Luke, president of Westvaco Corporation, improvements and new introductions in Westvaco products over the next few years are expected to be substantial enough to make obsolete existing coated paper lines.

Playing catch-up

Several years ago, Warren unsettled the coated No. 4 market with its introduction of Somerset Gloss. According to Lawrence Wilson, manager of graphic arts research for S. D. Warren, the company recognized growth potential in the category and built a new paper machine with the intent to exploit it. "We took a lot of business, a lot of market share, that we never had before," says Wilson. "In two years we've become a factor to reckon with."

According to Alling and Cory's Brown, domestic manufacturers have been slow to respond. Compared to Somerset Gloss, he says, "second place was a long way behind." But more recently, he adds, a number of mills have begun to close the gap.

Says Arthur Escudero, paper purchasing coordinator for Hearst Corp. magazines, "There's a lot of catch-up going on."

Characteristics found in No. 3 papers are showing up so much in No. 4s that the distinctions are blurring

So far, catch-up has meant making printing surfaces smoother, glossier and brighter. Brown says that the level of quality has been available for some time, but only in the higher grades—Nos. 1, 2 and 3. Now those characteristics are being pushed down to the lower, less expensive categories.

Michael Eisner, director of paper purchasing for CBS Magazines, says he has seen considerable movement in that direction. He notes that brightness and smoothness characteristics tradi-

Ad sales compensation survey

FOLIO:'s second annual industry-wide survey of ad sales professionals pins down 1987 earning.

BY SUZANNE ZELKOWITZ
ASSOCIATE EDITOR

Sales is an incentive game. And working in an industry where bonuses and commissions can generate a significant part of their compensation provides publishing's ad sales force with instant gratification and an immediate answer to New York Mayor Koch's perennial opener, "How'm I doin'?"

How *are* ad sales professionals doing in 1987? FOLIO:'s second annual ad sales compensation survey gives the complete run-down on ad sales salaries and bonus/commissions for magazine ad sales directors, managers and salespeople.

The survey yields some interesting findings:

- Branch/regional managers and ad sales managers working on business magazines earn less than their counterparts on consumer magazines.
- Men's salaries exceed women's by 20 percent for ad sales directors; by 45 percent for managers; by 39 percent for branch/regional managers; and by 28 percent for ad sales people.
- Ad sales professionals in all surveyed categories are almost 50 percent more likely to receive deferred compensation or participate in pension or profit sharing plans if they work on magazines with ad revenues of $5 million or more.

Ad sales directors

The average base salary for an ad sales director is $62,251 and the average commission or bonus is $30,711. Ad sales directors on consumer magazines fall behind their peers on business magazines, both in base salary and bonus/commission, by a small margin.

The average base salary for a business magazine sales director is $63,539, and the average bonus/commission is $33,885. The base salary for a director on a consumer publication is $60,365, and bonus/commission is $27,716.

Ad sales directors in the Northeast earn higher base salaries than those in the rest of the country: $67,899. The second highest average base salary is reported by those in the Central states: $61,074. For these two regions, bonus/commission is $27,867 and $34,452, respectively.

In this personnel category, men outearn women both in base salary and bonus/commission. Men net $64,744 in average base salary and $32,594 in bonus/commission, while women receive $53,838 in salary and $23,117 in bonus/commission.

Not surprisingly, salary increases with years of experience. Those with 16 years or more earn $75,379, about twice as much as the $37,524 for directors with three years or less in the business. While the lowest bonus/commission, $22,035, is reported for the least experienced directors, and the highest, $37,439, is logged for the most experienced, the upward pattern does not hold for the intermediate categories: Those with four to 10 years earn $29,540, but directors with 11 to 15 years make $26,482.

Again not unexpectedly, there is a steady rise in base salary and bonus/commission as total ad revenue increases. For instance, an ad director on a magazine that brings in $20 million or more in total ad revenue has a base salary of $91,368 and a bonus/commission of $38,194, much more than a director on a publication in the less than $1 million category. In the latter category, the director makes $42,758 in base salary and $20,192 in bonus/commission.

Average base salary and bonus/commission rise as the number of ad pages goes up, following the expected pattern. Ad directors on magazines carrying 1,000 or more ad pages per year earn more than directors on publications with less than 500 pages. Directors in the former category receive

"It's finding enough time for special projects that contribute to long-term growth that's the real challenge."

Ad sales director in the Northeast on a consumer magazine with more than 100,000 circulation, earning a base salary in the low forties, with $40,000 in bonus/commission.

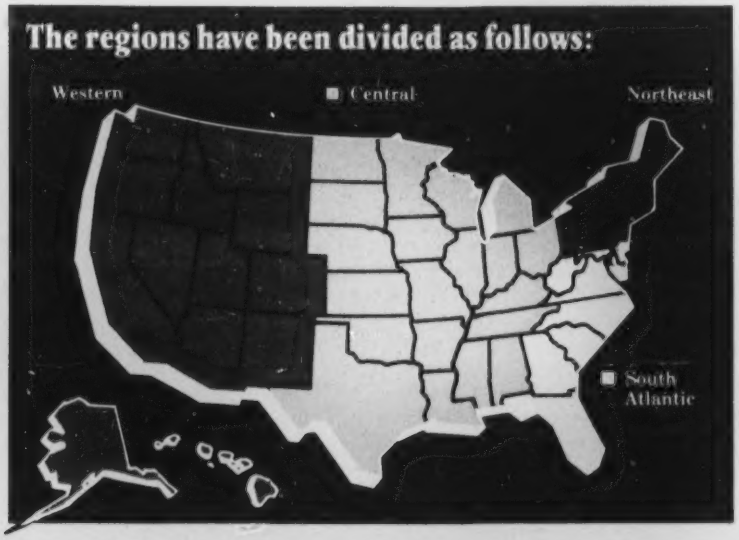
[redacted]

an average base salary of $71,368 and bonus/commission of $37,505 compared to the base salary of $51,953 and bonus/commission of $28,125 going to the ad directors in the lowest page count category.

Increasing an ad sales director's responsibility also ups his earning power. Base salary rises as the number of supervised employees grows. An ad sales director supervising 11 or more persons nets a base salary of $74,880, while the ad director in charge of none or only one earns a base salary of $34,600, less than half as much. The ad director responsible for two to five persons receives an average base salary of $54,236 and the director with six to 10 employees under his supervision gets $61,863. Although the base salary range is over two to one, depending on the number of people supervised, average bonus/commissions for all four personnel categories are approximately the same.

Those who work on weekly titles earn more than directors on monthlies. Ad sales directors who work on weeklies earn an average base salary 7 percent higher than their counterparts on monthly magazines. The base salary for a director on a monthly publication is $60,981, compared to $65,280 for a director on a weekly. By contrast, bonus/commissions are 30 percent higher for those on weeklies. They receive an average of $38,031.

In this personnel category, men outearn women both in base salary and bonus/commission. Men net $64,744 in average base salary and $32,594 in bonus/commission, while women receive $53,838 in salary and $23,117 in bonus/commission.



Ad sales managers

The average base salary for an ad sales manager is $46,715, and the average bonus/commission is $22,850. Business magazine ad sales managers are trailing their counterparts on consumer magazines in overall base salary and bonus/commission averages.

Ad sales managers on business magazines are earning an average base salary of $40,142 and a bonus/commission of $21,874—which is less than the base salary of $52,736 and bonus/commission of $24,218 netted by consumer managers, lower by 23.9 percent and 9.7 percent, respectively.

The salary for the group in the Northeast is $49,690 and bonus/commission stands at $29,608. Not far behind in base salary are respondents in the Central states with $49,185—but with bonus/commission of $17,157.

Experience pays off for ad sales managers. Those with 16 or more years garner $63,423 in base salary and pick up $25,167 in bonus/commission. Managers with up to three years of experience earn a salary of $24,293 and a bonus/commission of $14,125.

In general, salaries and bonus/commission increase with the rise in ad revenue and ad page totals. For example, ad sales managers working on magazines with ad revenue of $3 million to $8 million pull down a base salary of $41,797 compared to $63,567 base salary for a manager whose publication has $8 million to $20 million in ad revenue. Ad sales managers on magazines carrying fewer than 500 pages receive an average $33,392 base salary—40 percent less than the $55,606 earned by those on titles that carry 1,000 pages or more. Bonus/commission more than doubled for managers on magazines with 1,000 or more pages: $32,046 compared to $15,753 for those whose ad pages fall below 500.

Of all our surveyed job categories, this is the one showing the biggest gender-based difference in base salaries. Men receive $52,881, or 45 percent more than women, who get $36,366. Men's bonus/commission is $26,013, compared with $16,815 for women.

Branch/regional managers

The average base salary for a branch or regional manager is $51,442,

and the average bonus/commission is $28,489. In this personnel category, those on business magazines are making 21 percent less in base salary than their consumer magazine counterparts. The base salary for the former is $44,934; for the latter it is $56,955. However, those on business magazines earn more in bonus/commission —$30,286 compared to $27,770 for those on consumer publications.

Overall, branch or regional managers in the West earn more in base salary than their peers in other regions, with an average of $55,219. However, the bonus/commission reported by 16 participants in the West, averaging $39,875, is lower than the average bonus/commission of $46,144 reported by nine respondents from the South Atlantic states.

Base salary rises correspondingly with escalating ad revenues, with regional or branch managers working on magazines with less than $1 million in ad revenue receiving $37,333 and those on magazines with $20 million or more taking in $65,500. However, the 10 branch or regional managerial respondents in the $1 million to $3 million ad revenue category had an average bonus/commission of $33,950, higher than all but the top category of $20 million or more in ad revenue, which shows bonus/commission of $37,233.

Branch or regional managers working on weeklies earn more in base salary than their peers on monthly titles. Those on weeklies have an average base salary of $58,556; on monthlies, $49,735. But those on monthly publications earn an average $29,057 in bonus/commission as opposed to $24,933 for branch or regional managers on weeklies.

Men's base salary surpasses women's. The survey shows men receiving $55,071, as compared with women's $39,690. Bonus/commission for men is $30,774, while women get $19,076.

Ad sales person

For the personnel in this category, the average base salary is $37,911 and the average bonus/commission is $29,806. The relationship of bonus/commissions to average salaries is higher among ad sales persons than the other categories.

Those on business publications are earning more than their counterparts on consumer magazines when it comes to base salary: $39,173 compared to $33,513. But their bonus/commission is virtually identical: $29,993 compared to $30,056, respectively.

Ad sales people in the Central states make the highest base salary, $41,768, but receive the lowest bonus/commission, $27,070, of all the regional groups.

Men's salaries exceed women's by 28 percent—$41,342 compared to $32,165, respectively. Bonus/commission for men also surpass women's, by 33 percent, with men getting $32,583 compared to $24,522 for women.

Ad sales people with three years or less in the business earn a base salary of $28,925 and an average bonus/commission of $19,064. Their counterparts with 16 years or more of experience net a base salary of $43,580 and bonus/commission of $39,577.

"Competitive rates and off the card discounts are crippling us. The business is not fun anymore."

[redacted]

Ad sales people working on magazines that carry less than 500 ad pages earn $32,959 in base salary and $25,294 in bonus/commission. Those on titles carrying 1,000 or more ad pages receive $40,823 in average base salary and $28,629 in bonus/commission.

Deferred compensation

Sixty-four percent of the ad sales directors in FOLIO:'s survey are offered a deferred compensation pension or profit sharing plan. Business magazines are more likely to offer such plans to their ad sales directors, according to FOLIO:'s respondents: 76 percent in the business sector as compared with 52.3 percent on consumer titles.

Overall, 66.7 percent of ad sales managers and 67.0 percent of regional or branch managers are offered deferred compensation plans.

Sixty-three percent of those in the ad sales people category are offered such plans. Not surprisingly, ad sales professionals across all personnel categories were more likely to have deferred compensation plans if they worked on magazines with revenues of $5 million or more.

Bonus/commission ceilings

Across all personnel categories, ceilings were more the exception than the rule. Branch or regional managers were most likely to have a ceiling on their bonus/commission; ad sales people were least likely. Almost 16 percent of the branch or regional managers have an imposed ceiling, as compared with ad sales people, with 3.3 percent.

By gender, men were more likely to have ceilings or caps on their bonus/commission than women in the three management categories. Male ad sales directors reporting ceilings log in at 16.8 percent, compared to 5.7 percent of women; male ad sales managers register 17 percent, compared to 4.3 percent of their female counterparts. But in the regional or branch manager category, figures for men and women were almost equal: 15.7 percent compared to 15 percent, respectively.

Using the numbers

It is important to use the salary information in this survey cautiously. In many instances there were not enough respondents in certain cells to enable us to reach conclusions. For this reason, FOLIO: is publishing the number of respondents in parentheses.

Furthermore, average salaries and average bonus/commissions reported apply only for those reporting that type of remuneration. And because the sections on salaries encompass people who receive salaries only and salaries plus bonus/commission, and the sections on bonus/commission include people who receive bonus/commission only and bonus/commission plus salaries, a reader cannot routinely take average bonus/commission and average salary to arrive at total compensation.

The survey is also limited to comparing one variable at a time. For example, ad sales directors in the Northeast are earning higher salaries than their peers in other areas—but are those in the Northeast who participated in the survey working on larger circulation magazines? Are they the ones with the most experience? FOLIO: does not answer these questions, or offer an analysis.

Challenging work

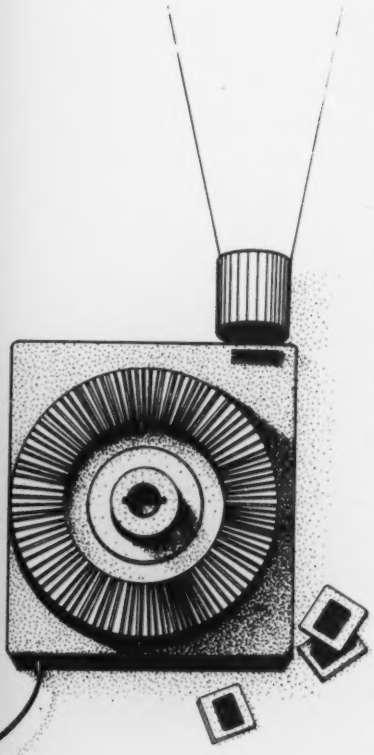
Many of the respondents to FOLIO:'s ad sales compensation survey felt challenged by their jobs. Some focused on the problems of getting through to the decision makers, others on shrink-

Ad sales director

Advertising sales director (in some cases may have the title of publisher): Manages ad sales department, sets policies and procedures, is responsible for reaching goals and quotas, hires and trains personnel, supervises branch managers.

"I'm kept jumping trying to maintain the same/and more ad pages as compared to 1986 and attempting to cut down on the blizzard of paperwork we face in the publishing business."

Ad sales director in the West, earning a base salary in the mid-eighties and bonus/commission of $40,000.



Average salaries (The number of respondents is in parentheses.)

All respondents	$62,251 (175)
Business	$63,539 (87)
Consumer	$60,365 (85)
Top one-third	$94,026 (58)
Middle one-third	$59,775 (58)
Bottom one-third	$33,449 (59)

	Salary	Business salary	Consumer salary
By region:			
Northeast	$67,899 (78)	$69,263 (38)	$65,651 (37)
South Atlantic	$46,800 (10)	$51,143 (7)	$36,667 (3)
Central	$61,074 (52)	$58,532 (28)	$64,040 (24)
Western	$52,533 (30)	$59,100 (10)	$49,250 (20)
By no. of employees under respondent's supervision:			
None/one	$34,600 (15)	$41,100 (10)	$21,600 (5)
2-5	$54,236 (45)	$64,182 (22)	$44,722 (23)
6-10	$61,863 (52)	$61,063 (30)	$61,250 (20)
11 and over	$74,880 (63)	$74,920 (25)	$74,850 (37)
By sex:			
Male	$64,744 (135)	$66,122 (73)	$62,349 (59)
Female	$53,838 (40)	$50,071 (14)	$55,865 (26)
By years in the business:			
Up to 3 years	$37,524 (21)	$47,250 (8)	$31,538 (13)
4-10	$55,891 (65)	$56,443 (28)	$55,473 (37)
11-15	$67,776 (31)	$63,167 (15)	$72,098 (16)
16 and over	$75,379 (58)	$72,833 (36)	$79,737 (19)
By ad revenue:†			
Up to $999,999	$42,758 (33)	$44,813 (16)	$40,824 (17)
$1 million-$2,999,999	$52,683 (36)	$59,938 (16)	$46,880 (20)
$3 million-$7,999,999	$65,335 (49)	$66,255 (31)	$62,500 (17)
$8 million-$19,999,999	$73,036 (27)	$71,462 (13)	$74,497 (14)
$20 million and over	$91,368 (19)	$92,857 (7)	$90,500 (12)
By ad pages:†			
Up to 499	$51,953 (45)	$46,920 (20)	$55,980 (25)
500-999	$61,980 (52)	$64,841 (22)	$58,445 (28)
1,000 and over	$71,368 (60)	$73,553 (38)	$67,595 (22)
By frequency:†			
Weekly	$65,280 (20)	$67,417 (12)	$62,075 (8)
Monthly	$60,981 (108)	$62,831 (51)	$58,573 (55)
Biweekly/semimonthly	$62,464 (14)	$64,350 (10)	$57,750 (4)
Other	$62,534 (28)	$62,583 (12)	$62,498 (16)

†Refers to the largest revenue producing magazine on which respondent works

Average bonus/commission (The number of respondents is in parentheses.)

All respondents	$30,711 (151)
Business	$33,885 (71)
Consumer	$27,716 (77)
Top one-third	$56,480 (50)
Middle one-third	$25,702 (50)
Bottom one-third	$10,359 (51)

	Bonus/ commission	Bus. bonus/ commission	Con. bonus/ commission
By region:			
Northeast	$27,867 (73)	$27,126 (34)	$28,181 (36)
South Atlantic	$43,929 (7)	$44,500 (5)	$42,500 (2)
Central	$34,452 (41)	$43,429 (21)	$25,026 (20)
Western	$29,158 (26)	$31,125 (8)	$28,283 (18)
By no. of employees under respondent's supervision:			
None/one	$31,360 (10)	$34,500 (4)	$29,267 (6)
2-5	$29,171 (41)	$31,625 (20)	$26,833 (21)
6-10	$31,162 (45)	$33,512 (26)	$26,971 (17)
11 and over	$31,373 (55)	$36,381 (21)	$28,379 (33)
By sex:			
Male	$32,594 (121)	$34,795 (62)	$30,163 (56)
Female	$23,117 (30)	$27,611 (9)	$21,190 (21)
By years in the business:			
Up to 3 years	$22,035 (17)	$22,250 (6)	$21,918 (11)
4-10	$29,540 (58)	$31,412 (25)	$28,121 (33)
11-15	$26,482 (27)	$32,409 (11)	$22,407 (16)
16 and over	$37,439 (49)	$38,983 (29)	$35,676 (17)
By ad revenue:†			
Up to $999,999	$20,192 (24)	$14,313 (8)	$23,131 (16)
$1 million-$2,999,999	$29,266 (32)	$33,133 (15)	$25,853 (17)
$3 million-$7,999,999	$31,295 (44)	$34,750 (28)	$25,767 (15)
$8 million-$19,999,999	$36,097 (24)	$37,800 (11)	$34,655 (13)
$20 million and over	$38,194 (18)	$53,333 (6)	$30,625 (12)
By ad pages:†			
Up to 499	$28,125 (36)	$31,500 (13)	$26,217 (23)
500-999	$24,263 (48)	$23,079 (19)	$24,208 (27)
1,000 and over	$37,505 (55)	$39,366 (35)	$34,250 (20)
By frequency:†			
Weekly	$38,031 (16)	$36,450 (10)	$40,667 (6)
Monthly	$29,329 (96)	$31,726 (42)	$27,127 (52)
Biweekly/semimonthly	$31,556 (9)	$30,667 (6)	$33,333 (3)
Other	$30,373 (25)	$39,527 (11)	$23,180 (14)

†Refers to the largest revenue producing magazine on which respondent works

"I work at educating advertisers not only to the value of the medium but as to what to expect in results from their advertising in our magazine."

Ad sales director in the West with 26 years of experience, earning a base salary of roughly $50,000 and $5,000 bonus/commission.

"Being at a relatively new publication, my greatest challenge is positioning it against established and growing competition in a market that currently is not as strong as in the past."

Ad sales director in the West, on a consumer magazine with roughly 45,000 circulation, earning a salary in the low twenties, with $10,000 in bonus/commission.

"My goal is motivating and training salespeople so they are 80 percent self-reliant."

Ad sales director with seven years experience, working in the Northeast, earning $25,000 in bonus/commission.

Ad sales manager

Ad sales manager: Reports to director, *has management but not policy responsibility* for personnel within the department.

"We've got to convince clients to take steps with their advertising that they've yet to take; to become more creative and more aggressive than their competitors."

Ad sales manager in the West working on a consumer magazine with more than 150,000 circulation, earning $50,000 in base salary.

"You have to get clients to make price less of a factor, and value more of a factor. Encourage ad agency media wimps to make the effort of knowing how their clients go to market, instead of basing decisions on SRDS or audit statements alone."

Ad sales manager, working on a business magazine in the Midwest, with five years of experience, earning about $60,000 in base salary and $2,000 in bonus/commission.

Average salaries (The number of respondents is in parentheses.)

All respondents	$46,715 (75)
Business	$40,142 (30)
Consumer	$52,736 (42)
Top one-third	$71,260 (25)
Middle one-third	$45,780 (25)
Bottom one-third	$23,106 (25)

	Salary	Business salary	Consumer salary
By region:			
Northeast	$49,690 (26)	$41,068 (11)	$57,157 (14)
South Atlantic	$28,275 (4)	$24,200 (3)	$40,500 (1)
Central	$49,185 (27)	$43,875 (12)	$55,536 (14)
Western	$42,094 (17)	$32,800 (3)	$45,900 (13)
By no. of employees under respondent's supervision:			
None/one	$34,680 (20)	$37,067 (6)	$34,400 (13)
2-5	$45,325 (26)	$35,089 (14)	$57,267 (12)
6-10	$51,452 (21)	$48,750 (8)	$57,273 (11)
11 and over	$68,888 (8)	$50,300 (2)	$75,083 (6)
By sex:			
Male	$52,881 (47)	$48,133 (18)	$55,828 (29)
Female	$36,366 (28)	$28,154 (12)	$45,838 (13)
By years in the business:			
Up to 3 years	$24,293 (15)	$25,688 (8)	$22,700 (7)
4-10	$45,898 (32)	$36,288 (13)	$53,167 (18)
11-15	$58,714 (14)	$65,500 (2)	$60,955 (11)
16 and over	$63,423 (13)	$56,571 (7)	$71,417 (6)
By ad revenue:†			
Up to $999,999	$25,931 (13)	$29,489 (9)	$17,067 (3)
$1 million-$2,999,999	$37,635 (17)	$41,657 (7)	$34,244 (9)
$3 million-$7,999,999	$41,797 (16)	$42,607 (7)	$43,313 (8)
$8 million-$19,999,999	$63,567 (15)	$55,200 (5)	$67,750 (10)
$20 million and over	$74,438 (8)	$0 (0)	$74,438 (8)
By ad pages:†			
Up to 499	$33,392 (24)	$35,750 (8)	$33,146 (13)
500-999	$47,825 (20)	$34,571 (7)	$54,962 (13)
1,000 and over	$55,606 (26)	$44,250 (13)	$66,962 (13)
By frequency:†			
Weekly	$36,483 (6)	$30,850 (4)	$47,750 (2)
Monthly	$48,605 (51)	$40,466 (19)	$55,517 (30)
Biweekly/semimonthly	$45,743 (7)	$55,000 (1)	$44,200 (6)
Other	$43,744 (9)	$43,400 (5)	$45,567 (3)

†Refers to the largest revenue producing magazine on which respondent works

Average bonus/commission (The number of respondents is in parentheses.)

All respondents	$22,850 (66)
Business	$21,874 (23)
Consumer	$24,218 (40)
Top one-third	$43,482 (22)
Middle one-third	$17,900 (22)
Bottom one-third	$ 7,168 (22)

	Bonus/ commission	Bus. bonus/ commission	Con. bonus/ commission
By region:			
Northeast	$29,608 (25)	$22,889 (9)	$34,813 (15)
South Atlantic	$12,500 (2)	$20,000 (1)	$ 5,000 (1)
Central	$17,157 (23)	$21,310 (10)	$15,083 (12)
Western	$19,887 (15)	$ 7,000 (2)	$21,708 (12)
By no. of employees under respondent's supervision:			
None/one	$15,456 (18)	$15,500 (6)	$16,791 (11)
2-5	$19,124 (21)	$19,900 (9)	$18,542 (12)
6-10	$29,647 (19)	$29,714 (7)	$31,950 (10)
11 and over	$33,125 (8)	$23,000 (1)	$34,571 (7)
By sex:			
Male	$26,013 (45)	$24,241 (17)	$27,089 (28)
Female	$16,815 (20)	$15,167 (6)	$19,000 (11)
By years in the business:			
Up to 3 years	$14,125 (8)	$11,333 (3)	$15,800 (5)
4-10	$23,477 (31)	$18,425 (12)	$27,483 (18)
11-15	$26,057 (14)	$26,500 (2)	$26,182 (11)
16 and over	$25,167 (12)	$32,500 (6)	$17,833 (6)
By ad revenue:†			
Up to $999,999	$16,208 (12)	$15,857 (7)	$14,925 (4)
$1 million-$2,999,999	$16,000 (12)	$17,000 (3)	$16,125 (8)
$3 million-$7,999,999	$20,455 (11)	$22,400 (5)	$22,500 (5)
$8 million-$19,999,999	$27,267 (15)	$29,400 (5)	$26,200 (10)
$20 million and over	$41,210 (10)	$45,100 (1)	$40,778 (9)
By ad pages:†			
Up to 499	$15,753 (19)	$12,800 (5)	$18,091 (11)
500-999	$19,861 (18)	$18,600 (5)	$20,346 (13)
1,000 and over	$32,046 (24)	$25,925 (12)	$38,167 (12)
By frequency:†			
Weekly	$17,014 (7)	$20,820 (5)	$ 7,500 (2)
Monthly	$24,245 (42)	$20,167 (12)	$26,857 (28)
Biweekly/semimonthly	$24,743 (7)	$50,000 (1)	$20,533 (6)
Other	$20,000 (8)	$20,500 (4)	$22,000 (3)

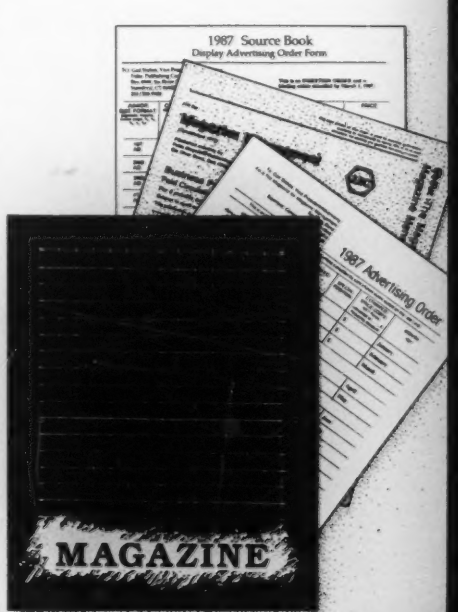
†Refers to the largest revenue producing magazine on which respondent works

"Selling titles that have major rate increases for '87 in a market that has suffered greatly and more so in '87 is not easy."

Ad sales manager in the West with 10 years of experience, earning $52,000 base salary and more than $10,000 in bonus/commission.

"Getting more share of market's the only way, it seems, to get page growth in a market with a declining page pool."

Ad sales manager in the Northeast supervising 16 people, earning $75,000 in base salary and bonus/commission in the low twenties.



Branch/regional manager

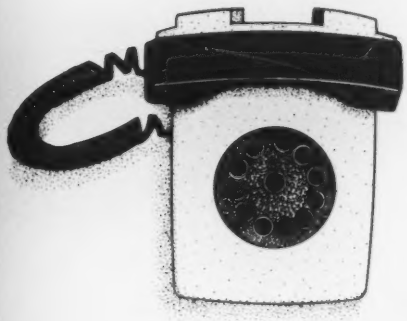
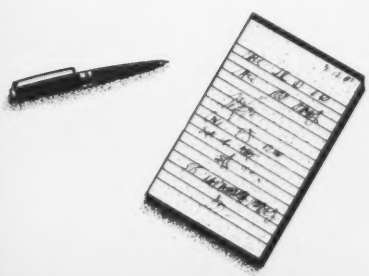
Branch/regional manager (may also be "category manager"): Responsible for selling ad pages to accounts in specific geographic areas, or responsible for selling to accounts from specific categories (liquor, tobacco, cosmetics, etc.). May supervise some sales staff.

"Helping clients develop brand loyalty, hence, profitability, through innovative ideas and attitudes is key. With this done, revenues are easy!"

Branch/regional manager in the South with more than 30 years of experience, earning $175,000 in bonus/commission.

"Let's overcome the obsession with our bingo card returns."

Branch/regional manager in the Northeast, working on a business magazine, earning $45,000 in base salary and bonus/commissions in the high teens.



Average salaries (The number of respondents is in parentheses.)

All respondents	$51,442 (89)
Business	$44,934 (38)
Consumer	$56,955 (49)
Top one-third	$70,503 (29)
Middle one-third	$50,633 (30)
Bottom one-third	$33,823 (30)

	Salary	Business salary	Consumer salary
By region:			
Northeast	$48,258 (26)	$44,733 (15)	$55,370 (10)
South Atlantic	$44,438 (8)	$48,750 (6)	$31,500 (2)
Central	$53,805 (38)	$42,462 (13)	$59,704 (25)
Western	$55,219 (16)	$48,000 (4)	$58,318 (11)
By no. of employees under respondent's supervision:			
None/one	$44,969 (49)	$41,208 (24)	$49,326 (23)
2-5	$59,759 (34)	$51,958 (12)	$64,014 (22)
6-10	$75,000 (1)	$0 (0)	$75,000 (1)
11 and over	$59,000 (2)	$50,000 (1)	$68,000 (1)
By sex:			
Male	$55,071 (68)	$49,870 (27)	$59,208 (40)
Female	$39,690 (21)	$32,818 (11)	$46,944 (9)
By years in the business:			
Up to 3 years	$37,091 (11)	$36,857 (7)	$37,500 (4)
4-10	$44,650 (28)	$37,231 (13)	$51,157 (14)
11-15	$58,056 (9)	$60,000 (2)	$57,500 (7)
16 and over	$58,478 (41)	$52,844 (16)	$63,421 (24)
By ad revenue:†			
Up to $999,999	$37,333 (9)	$44,200 (5)	$28,750 (4)
$1 million-$2,999,999	$46,500 (9)	$41,750 (4)	$50,300 (5)
$3 million-$7,999,999	$47,357 (21)	$41,769 (13)	$57,357 (7)
$8 million-$19,999,999	$55,355 (22)	$50,650 (10)	$59,275 (12)
$20 million and over	$65,500 (14)	$50,500 (2)	$68,000 (12)
By ad pages:†			
Up to 499	$43,342 (19)	$41,000 (8)	$45,045 (11)
500-999	$54,058 (19)	$44,643 (7)	$60,418 (11)
1,000 and over	$53,028 (43)	$42,333 (18)	$60,728 (25)
By frequency:†			
Weekly	$58,556 (18)	$43,778 (9)	$73,333 (9)
Monthly	$49,755 (60)	$44,761 (23)	$53,594 (35)
Biweekly/semimonthly	$52,250 (4)	$46,000 (1)	$54,333 (3)
Other	$39,333 (3)	$26,000 (1)	$46,000 (2)

†Refers to the largest revenue producing magazine on which respondent works

Average bonus/commission (The number of respondents is in parentheses.)

All respondents	$28,489 (87)
Business	$30,286 (35)
Consumer	$27,770 (50)
Top one-third	$56,776 (29)
Middle one-third	$19,500 (29)
Bottom one-third	$ 9,190 (29)

	Bonus/ commission	Bus. bonus/ commission	Con. bonus/ commission
By region:			
Northeast	$24,585 (26)	$29,357 (14)	$19,836 (11)
South Atlantic	$46,144 (9)	$36,417 (6)	$65,600 (3)
Central	$22,286 (35)	$26,227 (11)	$20,479 (24)
Western	$39,875 (16)	$35,500 (4)	$43,273 (11)
By no. of employees under respondent's supervision:*			
None/one	$22,561 (46)	$24,750 (22)	$21,059 (22)
2-5	$36,908 (36)	$42,591 (11)	$34,408 (25)
By sex:			
Male	$30,774 (70)	$33,327 (26)	$29,714 (43)
Female	$19,076 (17)	$21,500 (9)	$15,829 (7)
By years in the business:			
Up to 3 years	$13,930 (10)	$16,250 (6)	$10,450 (4)
4-10	$17,954 (28)	$20,458 (12)	$15,813 (15)
11-15	$35,714 (7)	$77,500 (2)	$19,000 (5)
16 and over	$37,774 (42)	$37,467 (15)	$39,019 (26)
By ad revenue:†			
Up to $999,999	$17,471 (7)	$25,125 (4)	$ 7,267 (3)
$1 million-$2,999,999	$33,950 (10)	$16,125 (4)	$45,833 (6)
$3 million-$7,999,999	$27,952 (21)	$29,692 (13)	$25,857 (7)
$8 million-$19,999,999	$28,210 (20)	$36,111 (9)	$21,745 (11)
$20 million and over	$37,233 (15)	$34,500 (2)	$37,654 (13)
By ad pages:†			
Up to 499	$29,726 (19)	$26,000 (8)	$32,436 (11)
500-999	$22,895 (19)	$20,000 (7)	$25,000 (11)
1,000 and over	$31,188 (41)	$37,438 (16)	$27,188 (25)
By frequency:†			
Weekly	$24,933 (15)	$35,286 (7)	$15,875 (8)
Monthly	$29,057 (61)	$30,565 (23)	$28,875 (36)
Biweekly/semimonthly	$47,200 (5)	$44,000 (1)	$48,000 (4)
Other	$11,167 (3)	$ 3,500 (1)	$15,000 (2)

*Not all data shown in this category

†Refers to the largest revenue producing magazine on which respondent works

"You've got to make sure upper management realizes the tenor of the market. Realistic goals are necessary during this time of business publication market contraction."

Branch/regional manager in the Midwest, with two years of experience, earning approximately $50,000 in base salary and $10,000 in bonus/commission.

"Internal management problems are my biggest frustration. There's much waste of time explaining how the sales department works to management that's never been involved in sales."

Branch/regional manager in the West, earning a base salary in the low eighties, with a bonus/commission of $25,000.

"I know I make too little money for this industry, but I choose to stay because I like my company and I value my freedom here."

Branch/regional manager in the Northeast, working on a business magazine, earning $35,000 in base salary and $10,000 in bonus/commission.

Ad sales person

Advertising sales person (may be called account executive): Calls on clients and agencies, makes presentations, maintains current accounts, develops new accounts.

"It's difficult to get people in the business to return a simple phone call, not to mention answer a letter. For a business that essentially involves communication, I wonder about the skills of those in it."

Ad sales person, with six months of experience, working in the Northeast, earning a base salary in the high fifties.

"My objective is to get advertisers to focus on how the audience fits with their marketing strategy, rather than on how the editorial fits their product."

Ad sales person in the West, with four years of experience, earning $28,000 in base salary with bonus/commission in the low twenties.

"I'm always trying to make clients in the Southeast aware of the need to advertise; to convince them that advertising is an investment, not just an expense."

Ad sales person in the South working on a business magazine, earning a base salary in the low twenties and $9,000 in bonus/commission.

Average salaries (The number of respondents is in parentheses.)

All respondents	$37,911 (107)
Business	$39,173 (82)
Consumer	$33,513 (24)
Top one-third	$53,260 (35)
Middle one-third	$38,028 (36)
Bottom one-third	$22,872 (36)

	Salary	Business salary	Consumer salary
By region:			
Northeast	$38,286 (51)	$40,121 (42)	$29,722 (9)
South Atlantic	$27,900 (10)	$25,125 (8)	$39,000 (2)
Central	$41,768 (34)	$41,819 (27)	$41,833 (6)
Western	$33,164 (11)	$39,250 (4)	$29,686 (7)
By no. of employees under respondent's supervision:			
None/one	$38,010 (104)	$39,163 (81)	$33,673 (22)
2 and more	$31,750 (2)	$0 (0)	$31,750 (2)
By sex:			
Male	$41,342 (67)	$41,543 (56)	$40,318 (11)
Female	$32,165 (40)	$34,069 (26)	$27,754 (13)
By years in the business:			
Up to 3 years	$28,925 (32)	$28,845 (22)	$27,889 (9)
4-10	$39,527 (48)	$41,071 (35)	$35,369 (13)
11-15	$51,714 (7)	$51,714 (7)	$0 (0)
16 and over	$43,580 (20)	$43,228 (18)	$46,750 (2)
By ad revenue:†			
Up to $999,999	$21,900 (7)	$27,750 (2)	$19,560 (5)
$1 million-$2,999,999	$34,976 (17)	$32,509 (11)	$39,500 (6)
$3 million-$7,999,999	$39,117 (48)	$39,417 (41)	$36,917 (6)
$8 million-$19,999,999	$46,265 (17)	$46,265 (17)	$0 (0)
$20 million and over	$36,600 (5)	$36,000 (2)	$37,000 (3)
By ad pages:†			
Up to 499	$32,959 (17)	$33,667 (6)	$32,573 (11)
500-999	$37,032 (28)	$38,195 (20)	$34,125 (8)
1,000 and over	$40,823 (52)	$41,200 (49)	$32,000 (2)
By frequency:†			
Weekly	$41,923 (13)	$42,455 (11)	$39,000 (2)
Monthly	$37,269 (74)	$39,084 (58)	$30,067 (15)
Biweekly/semimonthly	$41,217 (6)	$36,325 (4)	$51,000 (2)
Other	$35,869 (13)	$36,625 (8)	$34,660 (5)

†Refers to the largest revenue producing magazine on which respondent works

Average bonus/commission (The number of respondents is in parentheses.)

All respondents	$29,806 (119)
Business	$29,993 (91)
Consumer	$30,056 (27)
Top one-third	$58,846 (39)
Middle one-third	$22,788 (40)
Bottom one-third	$ 8,510 (40)

	Bonus/ commission	Bus. bonus/ commission	Con. bonus/ commission
By region:			
Northeast	$27,604 (56)	$29,093 (46)	$20,750 (10)
South Atlantic	$31,955 (11)	$34,850 (10)	$ 3,000 (1)
Central states	$27,070 (37)	$27,629 (28)	$27,750 (8)
Western	$43,429 (14)	$38,167 (6)	$47,375 (8)
By no. of employees under respondent's supervision:*			
None/one	$29,469 (115)	$29,207 (89)	$31,340 (25)
2-5	$14,000 (2)	$ 0 (0)	$14,000 (2)
By sex:			
Male	$32,583 (78)	$33,300 (65)	$29,000 (13)
Female	$24,522 (41)	$21,727 (26)	$31,036 (14)
By years in the business:			
Up to 3 years	$19,064 (33)	$20,942 (24)	$15,063 (8)
4-10	$30,045 (51)	$26,037 (35)	$38,813 (16)
11-15	$39,611 (9)	$40,813 (8)	$30,000 (1)
16 and over	$39,577 (26)	$41,208 (24)	$20,000 (2)
By ad revenue:†			
Up to $999,999	$34,500 (10)	$48,333 (6)	$13,750 (4)
$1 million-$2,999,999	$26,284 (19)	$25,117 (12)	$28,286 (7)
$3 million-$7,999,999	$29,208 (53)	$28,933 (45)	$34,286 (7)
$8 million-$19,999,999	$29,265 (17)	$29,265 (17)	$ 0 (0)
$20 million and over	$43,833 (6)	$43,500 (2)	$44,000 (4)
By ad pages:†			
Up to 499	$25,294 (18)	$38,163 (8)	$15,000 (10)
500-999	$29,682 (33)	$31,660 (25)	$23,500 (8)
1,000 and over	$28,629 (55)	$27,424 (51)	$56,667 (3)
By frequency:†			
Weekly	$30,208 (12)	$32,682 (11)	$ 3,000 (1)
Monthly	$31,535 (85)	$30,212 (66)	$37,806 (18)
Biweekly/semimonthly	$25,267 (6)	$30,150 (4)	$15,500 (2)
Other	$21,593 (14)	$26,144 (9)	$13,400 (5)

*Not all data shown in this category

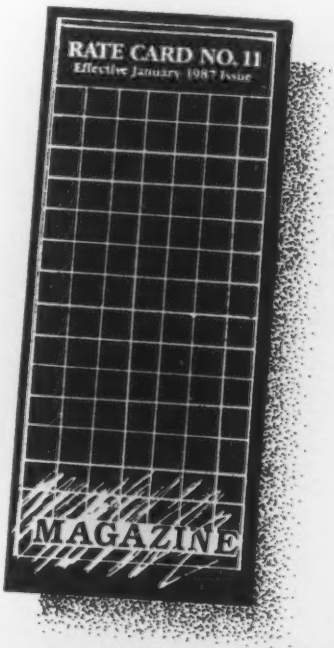
†Refers to the largest revenue producing magazine on which respondent works

"I'm realizing that no matter how glib and facile the advertising community is, its members can be hopelessly orthodox when it comes to considering a new buy."

Ad sales person in the Northeast, working on a consumer magazine, earning a base salary in the high fifties.

"My greatest ad sales challenge is having to sell over the telephone, with no face-to-face contact."

Ad sales person in the West with four years of experience, earning a base salary in the high twenties and bonus/commission of $12,000.



% whose companies offer deferred compensation

(The number of respondents is in parentheses.)

	Ad sales director	Ad sales mgr.	Ad branch/ regional mgr.	Ad sales person
Total	64.2%	66.7%	67.0%	62.9%
respondents	(179)	(78)	(91)	(124)
Business Magazine	76.1%	80.6%	64.9%	71.0%
respondents	(88)	(31)	(37)	(93)
Consumer Magazine	52.3%	57.8%	69.2%	36.7%
respondents	(88)	(45)	(52)	(30)
By sex:				
Male	65.9%	77.6%	65.7%	68.8%
	(138)	(49)	(70)	(80)
Female	58.5%	50.0%	71.4%	52.3%
	(41)	(28)	(21)	(44)
By ad revenue:†				
Under $5 million	51.1%	59.0%	56.6%	55.4%
	(88)	(39)	(30)	(56)
$5 million and over	77.5%	72.7%	73.9%	78.8%
	(80)	(33)	(46)	(52)

% whose companies have a ceiling on bonus/commission

(The number of respondents is in parentheses.)

	Ad sales director	Ad sales mgr.	Ad branch/ regional mgr.	Ad sales person
Total	14.5%	12.7%	15.6%	3.3%
respondents	(166)	(71)	(90)	(123)
Business magazine	14.8%	7.7%	2.7%	4.3%
respondents	(81)	(26)	(37)	(93)
Consumer magazine	13.3%	16.7%	25.5%	0.0%
respondents	(83)	(42)	(51)	(29)
By sex:				
Male	16.8%	17.0%	15.7%	2.5%
	(131)	(47)	(70)	(80)
Female	5.7%	4.3%	15.0%	4.7%
	(35)	(23)	(20)	(43)
By ad revenue:†				
Under $5 million	8.8%	9.1%	13.3%	1.8%
	(80)	(33)	(30)	(55)
$5 million and over	19.7%	15.6%	13.0%	3.8%
	(76)	(32)	(46)	(52)

†Refers to the largest revenue producing magazine on which respondent works

ing opportunities, and a sizable number were concerned with motivation—how to get it, how to keep it, and how to instill it in their personnel. Here is a sampling of comments:

"Getting to the 'yes or no' people in agencies is hard work. The 'media planner' title is used too much as a buffer between sales people and the A. E. and media directors."—Ad sales director with more than 30 years of experience, working in the Midwest, earning a base salary in the low forties and bonus/commission of $55,000.

"There's the endless pursuit of stealing away business from your competitor. The average ad budget is not getting any bigger; the number of new advertisers entering a marketplace isn't noticeably increasing."—Ad sales person in the Midwest, earning $60,000 in base salary and bonus/commission in the high teens.

"I need to maintain a positive, optimistic attitude to keep the staff going when I am aware of difficulties they're not privy to, like a raise freeze."—Ad sales director in the Northeast, supervising seven persons, earning $60,000 in base salary and a bonus/commission in the mid-teens.

But ad sales professionals would probably agree with one participant's assessment of his ultimate ad sales challenge: "Making the next sale!"□

Methodology

Four hundred ninety of the 1,137 ad sales professionals who received questionnaires responded to FOLIO:'s second annual ad sales salary survey. Of the total responses, 475 contained sufficient information to be used for tabulation. The response rate is 43.1 percent. The survey was conducted in November and December of last year through two mailing efforts. Participants were asked to supply data reflecting 1987 earnings; if exact figures were unavailable, they were requested to estimate.

Of the 300 ad sales directors initially sampled, 104 (or 34.7 percent) work on magazines with revenues of $5 million or more; another 104 work on magazines with circulations of 100,000 or more; and the remainder are with magazines with less circulation. The make-up of our sample of ad sales managers was identical. For the 300 regional/branch managers FOLIO: originally sampled, 128, or 42.7 percent, work on magazines with revenues of $5 million or more. One hundred seventy-two (or 57.3 percent) work on publications of under 100,000 circulation. Three hundred twenty-six people comprised our initial ad sales persons sample. Thirty-five percent, or 114, work on magazines with revenues of $5 million of more; 35 percent, or 113, work on magazines with a circulation or 40,000 or greater; and 30 percent, or 99, are with publications with less circulation.

In some cases, respondents did not give an exact bonus or commission figure, but gave an expected range. Here the mean was used for tabulation. For example, if an ad sales professional indicated that his or her annual bonus/commission would be between $10,000 and $12,000, the arithmatic mean of $11,000 was accepted as that respondent's expected bonus/commission for the year.

A job description has been included with each compensation chart. These descriptions were printed on the questionnaire; respondents were asked to mark the description that most accurately listed their duties.

Will cigarette advertising be banned?

A Supreme Court decision on casino gambling in Puerto Rico may affect legislation barring cigarette advertising in magazines

With the increasing awareness of the health dangers associated with cigarette smoking, the public has looked to more effective ways of discouraging the use of tobacco. One method receiving close discussion and scrutiny is a prohibition on cigarette advertising.

A ban on such advertising would have a direct and significant effect on magazines, which cigarette advertisers have found an attractive medium for their product. Unlike the black-and-white pages of newspapers and the nonvisual approach of radio, magazines are particularly suited for the promotion of cigarettes in display ads. The heavier stock of paper and the four-color pages in magazines aid in conveying the image that young, athletic, beautiful people enjoy the flavor and calming influence of smoking.

Cigarette advertising constitutes a substantial portion of the advertising revenue of many magazines. Publishers have argued and indeed lobbied against legislative efforts to prohibit or restrict cigarette advertising. In so doing, they have informally aligned themselves with legislators for tobacco-producing states, the American Association of Advertising Agencies, the American Newspaper Publishers Association, the Tobacco Institute, and even the American Civil Liberties Union. On the other side of the fence are such organizations as the American Medical Association, the American Cancer Society, the American Lung Association and the American Heart Association.

Faced with the obvious good will and public support for these health organizations, magazine publishers have focused on one major legal issue that should engender judicial and public acceptance—the First Amendment protection accorded to fair and accurate "commercial speech." Magazine publishers rightly ask why, if cigarette smoking is a lawful activity, the media and tobacco companies should be prohibited from informing the public of the nature and brand names of cigarettes.

Prior to July 1986, the judicial answer to this inquiry would have been easy: Neither Congress nor any other legislative body could ban advertising for lawful products or services, provided that the ads were truthful and were not deceptive or misleading.

Since 1948 the Supreme Court has distinguished between political (or editorial) speech and commercial speech. Pure commercial speech that does "no more than propose a commercial transaction" has historically been entitled to less constitutional protection than political speech. The Supreme Court has determined that government may regulate the content of commercial speech to prevent the dissemination of information that is false, deceptive or misleading, or which proposes an illegal transaction.

In accordance with this general rule, the Supreme Court has invalidated governmental restrictions on accurate advertising for such legal products and services as attorneys' services, contraceptives, abortions, pharmaceuticals and housing.

Determining constitutionality

In 1980, the Court, in the case of Central Hudson Gas & Electric Corp. v. Public Service Commission, promulgated a four-part analysis for use by

Tobacco ad expenditures in magazines

Top-10 brands	1986	1985	% change
1. Marlboro Lt, King, 100	$20,250,073	$10,767,060	+88.07
2. Marlboro Flt King & 100	20,049,929	3,233,185	+520.13
3. YSL Ritz 100 reg & mthl flt	19,294,947	1,906,441	+912.09
4. Now Flt 100	18,756,972	18,228,917	+2.9
5. Vantage King reg flt	18,238,683	21,093,545	−13.53
6. Marlboro Multi-Prod Adv	15,990,172	11,773,234	+35.82
7. Carlton Multi-Prod Adv	14,903,960	14,063,615	+5.98
8. Merit Flt 120	10,468,980	7,521,822	+39.18
9. Merit Flt King	10,278,323	14,114,691	−27.18
10. Merit King & 100 reg flt	9,116,876	NA	NA

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***A ban on cigarette advertising** would have a direct and significant effect on magazines, which cigarette advertisers have found an attractive medium for their product.*

lower Federal and state courts in deciding whether legislative restrictions on commercial speech are constitutional. First, a court must find that the advertising at issue relates to a lawful activity and is not misleading or fraudulent. Once that element of the test is satisfied, the commercial speech may be restricted only if 1) the government's interest in doing so is "substantial"; 2) the restriction directly advances the government's asserted interest; and 3) the restriction is no more extensive than necessary to serve that interest. This Central Hudson analysis is quite strict and compels the legislative body to justify the public policy for the restriction and the focused, limited nature of the restriction.

Many media lawyers assumed that the Central Hudson analysis would effectively eliminate legislative and administrative restrictions on truthful and nonmisleading advertisements for lawful products and services. However, in July 1986 the Supreme Court, by a 5-4 vote, upheld a Puerto Rican law that prohibited advertisements for casino gambling (a legal activity in Puerto Rico) when such advertisements were directed to Puerto Rican residents.

The Puerto Rican legal question on casino gambling advertising has some similarities to questions regarding bans on cigarette advertising.

Although casino gambling in Puerto Rico was legally available to both residents and nonresidents, a 1948 law and two implementing regulations barred all gambling parlors from advertising to the public in Puerto Rico. However, advertisements for Puerto Rican casinos could be placed in media outside Puerto Rico, provided that the government's Tourism Development Company gave its prior approval to the content of the ads. The purpose of the law and its regulations was to stimulate tourism in Puerto Rico and to provide additional income for the Puerto Rican treasury.

An owner of a gambling casino in Puerto Rico challenged the law and its implementing regulations as a violation of its commercial speech rights under the First and Fourteenth Amendments to the United States Constitution. A Puerto Rican court narrowed the construction of the statute to prohibit only those advertisements, placed by an ad agency, that "attract the resident to bet at the dice, card, roulette and bingo tables." As so interpreted, the court upheld the constitutionality of the advertising restrictions.

The Supreme Court, in an opinion written by the future Chief Justice William Rehnquist, analyzed the restrictions under the Central Hudson test and found the government's underlying purpose and methods to be supportable.

First, advertising for casino gambling was lawful and in the abstract was not misleading or fraudulent.

"Is First Amendment protection accorded to fair and accurate 'commercial speech' in jeopardy?"

Second, Justice Rehnquist perceived that the interest of the government of Puerto Rico in restricting the demand for casino gambling by its residents was "substantial."

Third, he found that the suppression of commercial speech (advertising directed to Puerto Rican residents) directly advanced the government's interest in reducing "intrastate" demand for casino gambling.

Fourth, Justice Rehnquist (speaking for himself and Chief Justice Burger, and Justices White, Powell and O'Connor) concluded that the restrictions on commercial speech were no more extensive than necessary to serve the government's interest. In so doing, a majority of the Court in effect accepted the view that the average Puerto Rican resident will be dissuaded from engaging in a lawful activity by limiting his or her access to truthful, nonmisleading information as to the location, hours and rates of gambling casinos in Puerto Rico.

Asking for equal protection

In dissent, Justice Brennan (joined by Justices Marshall and Blackmun) rejected Justice Rehnquist's interpretation of the Central Hudson test and urged that this type of commercial speech should receive the same protection as accorded other kinds of speech where, as here, "the government seeks to manipulate private behavior by depriving citizens of truthful information concerning lawful activities." The dissenters stressed that once the Puerto Rican government determined that residents could lawfully attend gambling casinos in Puerto Rico (indicating that serious harm would not befall such participating residents), then the government's purported interest in discouraging such residents from engaging in casino gambling could not be deemed "substantial" under the Central Hudson test. (Justice Stevens, joined by Justices Marshall and Blackmun, also dissented, urging that the statutory scheme was a "prior restraint" and was "hopelessly vague and unpredictable.")

What is the effect of the Puerto Rican casino case on legislative efforts to ban cigarette advertising? On its face, the Supreme Court decision would seem to uphold the constitutionality of legislation restricting advertising. If the perceived desire of the Puerto Rican legislation to reduce the residents' demand for casino gambling is deemed "substantial," then a professed desire to reduce the incidence of cancer and other diseases through elimination of cigarette advertising would likely also be found to be substantial.

However, a change in the membership of the Supreme Court may have a more practical effect on any successful challenge to anticigarette advertising law. Justice Antonin Scalia, who in effect replaced the retired Chief Justice Burger, may agree with the dissenters that courts should be reluctant to uphold legislation that prohibits truthful, nonmisleading ads for products that are legal to sell. His vote may provide support to the many opponents of the law to ban cigarette advertising. Such a law would be the first step in prohibiting advertising for such products as beer, wine, red meat, synthetic food additives, and even eggs.

The First Amendment considerations are apparent. If cigarette smoking is legal, then tobacco companies should be permitted to advertise the products, and magazines should be allowed to publish their ads.□

Slade R. Metcalf is a partner in the New York law firm of Squadron, Ellenoff, Plesent & Lehrer, where he specializes in media law and general litigation. He is also chairman of the Legal Affairs Committee of the Magazine Publishers Association.